

## HUMAN SERVICES DEPARTMENT[441]

### Notice of Intended Action

#### **Proposing rule making related to financial provisions for mental health and disability services regions and providing an opportunity for public comment**

The Human Services Department hereby proposes to amend Chapter 25, “Disability Services Management,” Iowa Administrative Code.

#### *Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code section 331.392.

#### *State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code section 331.392.

#### *Purpose and Summary*

2020 Iowa Acts, House File 2643, amended Iowa Code section 331.392 to require mental health and disability services (MHDS) regions to include in their regional governing agreement the method for allocating their cash flow amount if a county leaves the region. This proposed rule making requires a region’s cash flow amount to be divided by the percentage of each county’s population and allocated to the counties.

#### *Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

#### *Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

#### *Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 441—1.8(17A,217).

#### *Public Comment*

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Department no later than 4:30 p.m. on August 3, 2021. Comments should be directed to:

Nancy Freudenberg  
Department of Human Services  
Hoover State Office Building, Fifth Floor  
1305 East Walnut Street  
Des Moines, Iowa 50319-0114  
Email: [appeals@dhs.state.ia.us](mailto:appeals@dhs.state.ia.us)

#### *Public Hearing*

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental

subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

*Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making action is proposed:

Amend subrule 25.14(3) as follows:

**25.14(3) *Financial provisions.*** The financial provisions of the regional governance agreement shall include all of the following:

*a.* Methods for pooling, managing and expending funds under control of the regional administrative entity. If the agreement does not provide for pooling of the participating county moneys in a single fund, the agreement shall specify how the participating county moneys will be subject to the control of the regional administrative entity.

*b.* Methods for allocating administrative funding and resources.

*c.* Methods for allocating a region's cash flow amount in the event a county leaves the region. A region's cash flow amount shall be divided by the percentage of each county's population according to the region's population indicated in the region's annual service and budget plan and shall be allocated to the counties.

~~*e.*~~ *d.* Methods for contributing initial funds to the region.

~~*d.*~~ *e.* Methods for acquiring or disposing of real property.

~~*e.*~~ *f.* The process for how to use savings achieved for reinvestment.

~~*f.*~~ *g.* A process for performance of an annual independent audit of the regional administrator.